

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19381
[REDACTED])	
Petitioner.)	DECISION
)	
)	

[Redacted] (petitioner) protests the Notice of Deficiency Determination issued by staff of the Idaho State Tax Commission (Commission) dated June 10, 2005. The Notice of Deficiency Determination asserted no additional income tax or interest since the petitioner is an S corporation.

The petitioner filed a letter of protest that the Commission treated as a petition for redetermination. After the issuance of the Notice of Deficiency Determination, the petitioner submitted additional material. Based upon that additional material, the auditor reduced the apportionable income of the petitioner and sent his modified computations to the petitioner.

The Commission notified the petitioner that it could meet with a Commissioner or a designee in an informal conference to discuss the deficiency determined by the staff or, in the alternative, submit additional information to show why the deficiency should be adjusted.

The petitioner requested a copy of the workpapers. However, no additional documentation was submitted. The petitioner did not request an informal conference. Therefore, the Commission now renders its decision based upon the information currently in the file.

The auditor made adjustments to the expenses claimed by the petitioner. Adjustments were made in both years here in question to advertising expense, auto expense, legal and professional expense, bad debt expense, dues and subscriptions, repairs and maintenance, meals and entertainment, and depreciation expense. Additionally, the auditor adjusted marketing expense for 2000 and miscellaneous expense for 2001. At the time the Notice of Deficiency Determination was

issued, the auditor had determined that the apportionable income of the petitioner was \$123,451 and \$121,763 for 2000 and 2001, respectively. In his modified determination, he determined that the apportionable income of the petitioner was \$101,093 and \$102,102, for 2000 and 2001, respectively.

The Commission has reviewed the auditor's modified computations and finds no error therein. Therefore, since the petitioner has submitted no additional material, the Commission finds that the auditor's modified determination must be upheld.

WHEREFORE, the Notice of Deficiency Determination dated June 10, 2005, is hereby MODIFIED, and as so modified is APPROVED, AFFIRMED, AND MADE FINAL.

An explanation of the petitioner's right to appeal this decision is enclosed.

DATED this _____ day of _____, 2006.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____, 2006, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]
[REDACTED]

Receipt No.